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ABSTRACT

To obtain private endowments as a source of library funds the follcwing needs to be done: (1) work hard with a definite goal in view; (2) plan a course of action; (3) contact those individuals whcm investigations show may help; (4) search out help from newspapers, banks, radio and television stations; (5) consider the employment of a full time employee to search out money, federal, state and private and (6) constantly follow-up leads and prepare new avenues of approach. Another important road to endowments as a source of library funds is corporate entities. Most of the larger corporations have set up foundations for a variety of purposes and this information is readily available. There is plenty of room for growth but you have to water the plant and keep it growing. The best public relations are the aggregate of many tremendous trifles. (NH)

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Endowments as a Source of Library Funds

by

Frederick A. Kane
Director of Finance
Brooklyn Public Library

Paper presented at an Institute on Program Planning and Budgeting Systems for Libraries at Wayne State University, Detroit, Michigan, Department of Library Science, Spring 1968

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Introduction

by
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The following paper was presented at an institute on Program Planning and Budgeting Systems for Libraries, held at Wayne State University under the Higher Education Act, Title IIB, in the spring of 1968.

The intent of the institute was to introduce administrators and finance officers of large libraries, public, state, and academic to the principles and procedures of PPBS.

Each participant in the institute brought with him the most recent budget document from his own library, and with the help of the institute staff, attempted to convert it into a PPBS presentation.

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by
Frederick A. Kane
Director of Finance
Brooklyn Public Library

Good morning, ladies and gentlemen. It is a pleasure to be here and talk to you about "Endowments as a Source of Library Funds." I can give you some ideas about bringing in money but please remember only you can make a success of such a program.

Raising money will be the hardest work you've ever undertaken. To say the least it will brustrating but patience and perseverance will make it rewarding in many ways.

Now how do we go about getting money? First, we must sit down and think out a plan of action. Let's start at the beginning - how much do we need and the purpose for which the funds will be spend. You must be specific - generalities will not do. Also, we must show that such funds will satisfy an unfulfilled need. Once we've defined our objective we are ready to go ahead.

Every city has some wealthy individuals and these must be sought out. As a start, go through Poor's Directory of Directors and pinpoint those in your area. Search out everything about each individual such as his university, number of children, his clubs, place of business, hss title. This information is normally available in Who's Who in Industry and Commerce. Once we have garnered everything we can then take a trip to the newspaper morgue. Track down everything about him and his family that will give you a clue to his interests. Once you've learned as much as you can then sift the data to see

There are a few lessons that we should mention here in the summary. One, you can't be bound by strict systems no matter how good the intentions are of the textbook writers on the system. Conditions change constantly. The political pressures and goals of soci ety change contantly. Something like the fast-moving Coho Program forces you to scramble internally with the system, and in this case, the timing of the fish life cycle forced the whole system to work backward, but by not deserting the system but working with it, we came out with an outstanding program. My point, then, is make the system fit your needs, and don't make your needs fit the system.

The second point, in summary, that I should like to make is something that I alluded to earlier when I briefly mentioned staff. The staff to make the theoretically perfect PPB System work does not exist. The people are not available; they are not trained, and it's going to be many years before they are. Nevertheless, you should not fear plunging headlong into a PPBS program if the situation and the circumstances dictate it. You can learn on the job -- that's the way the people in Michigan learned; that's the way the people around the country are learning. It has, in its concept, the best hope for bringing some order to an otherwise badly jumbled State-Federal government budget relationship.

NOTE: Acknowledgment is given to the Legislative Auditor of the State of Hawaii. His publication, "State Capital Improvements Planning Process," was used extensively in the preparation of this talk.

determine how fast the program would grow. We had to determine what support facilities were necessary. When we hit budgeting, we had real problems. This program came on so fast that it was not part of any long-range plan nor did it have a place of priority in any of the shorter range five-year-plans. To identify sources of financing, we took a look around in the usual manner. The Federal Government had passed legislation and was moving in the direction of aiding the states to re-supply the Great Lakes with game fish. Federal money, therefore, was available.

To summarize the financing, this fall, on the November ballot, the people of Michigan must decide on whether or not to have a bond program for recreational development. If this bond issue passes, the Coho Program will be funded with a combination of bond money, General Fund revenue, and Federal money.

I have taken the time to talk about the Coho Program because I know from experience with Budget Institutes that 90% of the time, the subject matter deals with the theory and rarely do we have an opportunity to have any kind of an example of how a system will work under the actual stresses and strains of our political system. In just a few minutes, I attempted to outline how the PPB System produced the concept, the idea, and the plan for restocking the Great Lakes, and I have tried to show, without going into detail; how we followed the capital PPB type system in developing a hatchery program that will sustain the operating program, again making my point that there is no need for any capital program that does not fit instrinsically into tand support a functioning and worthwhile operating program.

if you can arrive at a possible community of interest which may aid you in achieving you objective.

We are now in a positioon to make our first move which will not be to the individuals you have selected but to the editor of your local newspaper. Explain briefly what what you want to do and solicit his help in the form of an editorial. The New York Public Library gets two editorials a year in the New York Times each of which solicits contributions. There is no reason why you can't do as much. Once an editorial has been written (or even a feature story) this becomes yourccall to action. Letters should be written to those few individuals whom you've selected and follow up each letter with a telephone call requesting a personal interview. This may be difficult to procure but not impossible. Work through friends and the bank with which you do business. Leave no stone unturned to get the interview. Compliment your target on his interest in community affairs and offer him a position on your board of trustees. If this is not feasible (some boards are political appointees) tell him you are planning to start a "Friends of XYZ Library" and would he care to be chairman of it. Now here is where your sales pitch has to come in. Appeal to his vanity and, if your investigation has disclosed the names of his friends, see if you can get a small group together for lunch. Leave the setting up of the lunch time to him - he'll enjoy being the focal point of attention. Don't forget that once you've made the breakthrough he will undoubtedly be good for help in the future.

Another source of funds is to give free books to hospitals, each of which will contain a little sales pitch such as, "We hope you enjoyed reading this book. One of the ways you can show your appreciation is by

sending a tax free contribution in the enclosed postage-free envelope. In this way we can continue this free service and possibly expand it." Now let's talk about foundations. There are hundreds of them and they are worth looking into. Get a list of a foundations' officers and write a letter stating your objective and its cost. There are several reference books which contain a wealth of information on these foundations and these should be gone over very thoroughly before any letter is sent. Be sure to mention the benefits that will accrue from implementing such a program.

Your initial letter should be brief and to the point. They will be in touch with you. If they turn down your request, write them again and ask them if they know of any foundations which fund programs such as the one you contemplate.

Another avenue of approach is through philatelists. See about setting up an exhibit of stamp collections. This can be done by contacting stamp dealers and, from these individuals, you can procure the names of stamp collectors. Once you get these names take a trip to the newspaper morgue and find out everything you can about each individual. Once again your local bank can be of invaluable assistance in this matter. Then approach these individuals in the same manner as you would the man who is listed in "Who's Who".

Whenever one talks about raising money, too many people think about hiring a professional fund raiser. I cannot go along with this reasoning. Professional fund raisers are expensive and there is no guarantee on their productivity. They introduce an impersonal touch which is exactly what we want to avoid. There is no substitute for the personal touch. It's true

that professional fund raisers do a job when raising money for political parties, etc. but who knows more about your library objectives and problems than you do. We can, of course, take another approach similar to the employment of a professional fund raiser - that is, if our system is large enough, the full-time employment of an individual whose primary responsibility is to search out, locate and get funds whether private, federal, state or local governments.

Another important road to endowments as a source of library funds are corporate entities. Most of the larger corporations have set up foundations for a variety of purposes and this information is readily available to you. I don't wish to go into details as to how you will discover these foundations since you, as librarians, have access to all the pertinent information. But once you have the information you will have to act on it and keep acting on it. Don't forget that corporations are allowed by law to deduct gifts up to 5 per cent of taxable income but are still giving an average of less than 1 - 1/2 per cent. In short giving is much nearer the fl floor than the ceiling. There is plenty of room for growth but you have to water the plant and keep it growing.

Well, we've talked a little bit about raising money for libraries, so let us recap for just a minute. We need to do the following:

1. Work hard with a definite goal in view.
2. Plan a course of action.
3. Contact those individuals whom our investigations show may help.

4. Search out help from newspapers, banks, radio and television stations.

5. Consider the employment of a full time employee to search out money, federal, state and private.

6. Constantly follow up leads and prepare new avenues of approach,

One of the more delicate problems is "restrictive endowments". These can cause no end of problems, as witness the Brooklyn Public Library and may even defeat your purpose. Your purpose as I see it is to use only the money derived from income. This, of course, presupposes you will get substantial endowments in the form of money. Beware of gifts to set up a new building or a wing of an existing building. Too often such gifts ignore the costs of maintenance and staffing. For such gifts, legal counsel is advisable and imperative.

Don't be overawed by the task. Involvement can be big stuff, but it can and should be simple too. For just as I have always felt that the best public relations are the aggregate of many tremendous trifles, so it is that personal identification can be sought and won by the persistent application of procedures like this:

Seek their (the people who count) advice or opinion

Promote meaningful visitation.

Ask them to join something.

Wuote them with adequate visibility.

Ask them to make a speech.

Seek their testimony.

Use their names.

Take their pictures.

Send advance proofs.

Pay attention.

Get the publicity.

Always remember that what you do ahead of time is what counts most.

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The Academic President: Educator or Caretaker? by Harold W. Dodds McGraw-Hill Book Company New York 1962

Distinguished leader and administrator himself in his long years as president of Princeton, Mr. Dodds presents here a distillation of administrative experience in a wide variety of institutions in all parts of the country. Though necessarily keyed to education, his findings and observations are applicable to all sorts of voluntary bodies. With thoughtful reading, this Dodds book should help fund-raisers to understand better the traditions and frameworks within which they must learn to operate if relationships are to be harmonious, effective and memorable.

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This pioneering study of the social and economic aspects of business philanthropy reflects the thoughts of top corporate officers and the leadership of top corporations. Just remember as you read that this area of philanthropy, especially for education and even more so for religious causes, is relatively unexplored.

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